Exemption of Senior Citizens from filing Income Tax returns

†1526. SHRI LAXMINARAYAN SHARMA: Will the Minister of FINANCE be pleased to state:

(a) whether Government would exempt those pensioners above the age of 70 years from filing Income Tax returns who have no other source of income; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) The Government has introduced a simplified return form for tax payers who do not have income from business or profession, capital gains or agriculture. Therefore, it is not necessary to exempt pensioners above the age of 70 years from filing income tax returns.

(b) Does not arise in view of reply to (a) above.

Impact of Excise Duty on LPG Cylinder

1527. SHRI K. RAMA MOHANA RAO: Will the Minister of FINANCE be pleased to state:

(a) whether any proposal or request made by the Ministry of Petroleum and Natural Gas to his Ministry for a change in the excise duty structure so that Government need not increase the price of domestic LPG cylinder;

(b) if so, the details of the proposal; and

(c) what action his Ministry has taken on the proposal sent by the Ministry of Petroleum and Natural Gas?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Liquefied Petroleum Gas (LPG) for supply to household domestic consumers is exempted from both customs as well as excise duty.

(b) and (c) Do not arise in view of (a) above.

Aid to Andhra Pradesh to fill Financial Gap

1528. SHRIMATI VANGA GEETHA: Will the Minister of FINANCE be pleased to state:

(a) whether his Ministry has offered help to Andhra Pradesh to fill the financial gap encountered by Government in implementing its ambitious programme of constructing a large number of irrigation projects;

†Original notice of the question was received in Hindi.

(b) whether the State Government of Andhra Pradesh had deputed a team to New Delhi to discuss this issue with the Department of Economic Affairs; and

(c) if so, the details of the discussion and the outcome thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) Yes, Sir. The Government of Andhra Pradesh has submitted a project proposal seeking World Bank assistance for "Andhra Pradesh Water Sector Improvement Project" at an estimated cost of about Rs.3000 crores to be implemented in a period of 5-6 years.

(b) and (c) Officials of Government of Andhra Pradesh are in interaction with Ministry of Finance. It has been conveyed to the Government of Andhra Pradesh that before the proposal is considered for World Bank assistance, the following conditions need to be addressed by the State Government:

- State Government undertakes to stand committed to the targets of fiscal correction path *(i.e.* to eliminated deficit and reduce fiscal deficit to 3% of GSDP by the end of 2008-09), and
- Substitute an agreed source of borrowings within the borrowing ceiling fixed for the State.

Banks authorised for Disbursement of Pensions

†1529: SHRI RUDRA NARAYAN PANY: Will the Minister of FINANCE be pleased to state:

(a) the banks authorized for the disbursement of Provident Fund (P.F.) and pensions of retired employess;

(b) whether the payment of P.F. and pension has been stopped with regard to those employees who are not having account in these banks;

(c) whether there is any proposal to authorize all the Nationalised Banks for the disbursement of P.F. and pensions; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) Provident Fund (P.F.) is disbursed by the employers to their employees on their retirement through their authorized banks. As regards pension, various public sector/private sector banks are

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